

98TH CONGRESS
2D SESSION

H. R. 5904

To reorganize the Department of Health and Human Services by establishing an independent agency, governed by a bipartisan board, to administer the old-age, survivors, and disability insurance program and the supplemental security income program under titles II and XVI of the Social Security Act, to provide appropriate delegations of authority to such agency from the General Services Administration and the Office of Personnel Management, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 20, 1984

Mr. ROYBAL (for himself, Ms. OAKAR, Mr. SYNAR, Mr. VENTO, Mr. FRANK, Mr. WISE, Mr. DYSON, Mr. LONG of Maryland, and Mr. SEIBERLING) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To reorganize the Department of Health and Human Services by establishing an independent agency, governed by a bipartisan board, to administer the old-age, survivors, and disability insurance program and the supplemental security income program under titles II and XVI of the Social Security Act, to provide appropriate delegations of authority to such agency from the General Services Administration and the Office of Personnel Management, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

TABLE OF CONTENTS

- 4 ESTABLISHMENT OF SOCIAL SECURITY AGENCY AS AN
5 INDEPENDENT AGENCY; SOCIAL SECURITY BOARD

8 “SOCIAL SECURITY AGENCY; SOCIAL SECURITY BOARD
9 “Establishment

14 “Social Security Board

17 “(2) The Board shall be composed of five members ap-
18 pointed by the President, by and with the advice and consent
19 of the Senate. The members shall be chosen, on the basis of

1 their integrity, impartiality, and good judgment, from among
2 individuals who, by reason of their education, experience, and
3 attainments, are exceptionally qualified to perform the duties
4 of members of the Board.

5 “(3)(A) Except as provided in subparagraphs (B) and
6 (C), members shall be appointed for terms of ten years. A
7 member may be nominated by the President for appointment
8 to a term of office only if the term of office commences before
9 or during the President’s then current term of office. A
10 member of the Board may be removed only pursuant to a
11 finding by the President of neglect of duty or malfeasance in
12 office. The President shall transmit any such finding to the
13 Speaker of the House of Representatives and the Majority
14 Leader of the Senate not later than five days after the date
15 on which such finding is made.

16 “(B) Of the members first appointed—

17 “(i) one shall be appointed for a term ending Jan-
18 uary 31, 1989,

19 “(ii) one shall be appointed for a term ending Jan-
20 uary 31, 1991,

21 “(iii) one shall be appointed for a term ending
22 January 31, 1993,

23 “(iv) one shall be appointed for a term commenc-
24 ing February 1, 1989, and ending January 31, 1995,
25 and

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1 “(v) one shall be appointed for a term commenc-
2 ing February 1, 1989, and ending January 31, 1997,
3 as designated by the President at the time of appointment.
4 Such members shall be appointed after active consideration of
5 recommendations made by the Chairman of the Committee
6 on Ways and Means of the House of Representatives and of
7 recommendations made by the Chairman of the Committee
8 on Finance of the Senate.

9 “(C) Any member appointed for a term after the com-
10 mencement of such term shall be appointed only for the re-
11 mainder of such term. A member may, at the request of the
12 President, serve for not more than one year after the expira-
13 tion of his or her term until his or her successor has taken
14 office.

15 “(4) Not more than three members of the Board shall be
16 of the same political party.

17 “(5) A member of the Board may not, during his or her
18 term as member, otherwise serve as an officer or employee of
19 any government. If any member of the Board becomes an
20 officer or employee of any government, he or she may contin-
21 ue as a member of the Board for not longer than the 30-day
22 period beginning on the date he or she becomes such an offi-
23 cer or employee.

1 “(6) Three members of the Board shall constitute a
2 quorum, except that two members shall constitute a quorum
3 until February 1, 1989. A lesser number may hold hearings.

4 “(7) A member of the Board shall be designated from
5 time to time by the President to serve as Chairperson of the
6 Board.

7 “(8) The Board shall meet at the call of the Chairperson
8 or a majority of its members.

9 “Functions of the Board

10 “(c) The Board shall—

11 “(1) govern by regulation the old-age, survivors,
12 and disability insurance program under title II and the
13 supplemental security income program under title XVI,

14 “(2) appoint a Commissioner of Social Security,
15 as described in section 702, to act for the Board as the
16 chief operating officer of the Agency responsible for ad-
17 ministering such programs,

18 “(3) constitute five of the members the Board of
19 Trustees of the Federal Old-Age and Survivors Insur-
20 ance Trust Fund and the Federal Disability Insurance
21 Trust Fund,

22 “(4) make annual budgetary recommendations re-
23 lating to the Agency and defend such recommendations
24 before the appropriate committees of each House of the
25 Congress,

1 “(5) make recommendations to the Congress and
2 the President as to the most effective methods of pro-
3 viding economic security through social insurance, and,
4 in consultation with the Commissioner of Social Securi-
5 ty, as to legislation and matters of administrative
6 policy concerning such programs,

7 “(6) provide the Congress and the President with
8 the ongoing actuarial and other analysis undertaken by
9 the Agency with respect to such programs and any
10 other information relating to such programs, and

11 “(7) conduct policy analysis and research relating
12 to such programs.

13 “Office of the Board

14 “(d)(1) The Office of the Board shall include an Office of
15 the Actuary, to be headed by a Chief Actuary appointed by
16 the Board. To the extent provided by the Board, the Office of
17 the Actuary shall assist the Board in carrying out its actuar-
18 ial functions.

19 “(2) The Office of the Board shall include an Office of
20 Policy and Legislation, to be headed by a Director of Policy
21 and Legislation appointed by the Board. To the extent pro-
22 vided by the Board, the Office of Policy and Legislation shall
23 assist the Board in carrying out its functions relating to
24 policy analysis, research, and legislation.

1 “(3) The Office of the Board shall include an Office of
2 General Counsel, to be headed by a General Counsel ap-
3 pointed by the Board. To the extent provided by the Board,
4 the General Counsel shall serve as the principal legal counsel
5 in the Agency.

6 “(4)(A) The Board shall appoint such additional attor-
7 neys, actuaries, and other employees as it considers neces-
8 sary to carry out its functions.

9 “(B) The Board may appoint, without regard to the pro-
10 visions of title 5, United States Code, governing appoint-
11 ments in the competitive service, such technical or profes-
12 sional employees as the Board considers appropriate, and
13 such employees may be paid without regard to the provisions
14 of chapter 51 and subchapter III of chapter 53 of such title
15 relating to classification and General Schedule pay rates.

16 “(C) The Board may procure the services of experts and
17 consultants in accordance with the provisions of section 3109
18 of title 5, United States Code.

19 “(D) Notwithstanding section 3133 of title 5, United
20 States Code, the Director of the Office of Personnel Manage-
21 ment shall authorize for the Agency a total number of Senior
22 Executive Service positions equal to 150 percent of the
23 number of such positions in the Social Security Administra-
24 tion of the Department of Health and Human Services as of
25 immediately before the date of the enactment of the Social

1 Security Reorganization Act of 1984, and the total number
2 of such positions authorized for the Agency pursuant to such
3 section 3133 shall not at any subsequent time be less than
4 such number.

5 “(E) In addition to the positions of the Agency in the
6 Executive Schedule specified in subchapter II of chapter 53
7 of title 5, United States Code, the Board may establish addi-
8 tional positions at levels IV and V of the Executive Sched-
9 ule.

10 “Organization of the Agency; Delegation of Functions

11 “(d)(1) The Board may establish, alter, consolidate, or
12 discontinue such organizational units or components within
13 the Agency as the Board considers necessary or appropriate
14 to carry out its functions, except that this paragraph shall not
15 apply with respect to any unit or component established by
16 this Act.

17 “(2) The Board may assign duties, and delegate, or au-
18 thorize successive redelegations of, authority to act and to
19 render decisions, with respect to the functions of the Board
20 under this section. Within the limitations of such delegations,
21 redelegations, or assignments to officers or employees of the
22 Agency, all official acts and decisions of such officers and
23 employees shall have the same force and effect as though
24 performed or rendered by the Board.

1 “Inspector General

2 “(e) There shall be in the Agency an Office of the In-
3 specter General, to be headed by an Inspector General ap-
4 pointed in accordance with the Inspector General Act of
5 1978.

6 “Coordination Between the Agency, the Department of
7 Health and Human Services, and the Department of
8 the Treasury

9 “(f)(1) The Board, the Secretary, and the Secretary of
10 the Treasury shall consult with each other and shall develop
11 rules, regulations, practices, and forms which, to the extent
12 appropriate for the efficient administration of titles II, XVI,
13 and XVIII and the other provisions of this Act and the appli-
14 cable provisions of the Internal Revenue Code of 1954, are
15 designed to reduce duplication of effort, duplication of report-
16 ing, conflicting or overlapping requirements, and the burden
17 on beneficiaries and other persons of compliance with the
18 provisions of this Act.

19 “(2) In order to avoid unnecessary expense and duplica-
20 tion of functions, the Board, the Secretary, and the Secretary
21 of the Treasury may make such arrangements or agreements
22 for cooperation or mutual assistance in the performance of
23 their functions under titles II, XVI, and XVIII and the other
24 provisions of this Act and the applicable provisions of the

1 Internal Revenue Code of 1954 as they find to be practicable
2 and consistent with law.”.

3 (b)(1) Section 5313 of title 5, United States Code (relat-
4 ing to level II of the Executive Schedule), is amended by
5 adding at the end thereof the following new item:

6 “Chairperson of the Social Security Board, Social
7 Security Agency.”.

8 (2) Section 5314 of such title (relating to level III of the
9 Executive Schedule) is amended by adding at the end thereof
10 the following new item:

11 “Members of the Social Security Board, Social
12 Security Agency (4).”.

13 (3) Section 5315 of such title (relating to level IV of the
14 Executive Schedule) is amended by adding at the end thereof
15 the following new items:

16 “Inspector General, Social Security Agency.

17 “Chief Actuary, Social Security Agency.

18 “Director of Policy Analysis and Legislation,
19 Social Security Agency.

20 “General Counsel, Social Security Agency.”.

21 COMMISSIONER OF SOCIAL SECURITY

22 SEC. 3. (a) Section 702 of the Social Security Act is
23 amended to read as follows:

1 “COMMISSIONER OF SOCIAL SECURITY

2 “Establishment

3 “SEC. 702. (a) There shall be in the Agency an Office of
4 the Commissioner, to be headed by a Commissioner of Social
5 Security (hereinafter in this title referred to as the ‘Commis-
6 sioner’) appointed by the Board.

7 “Term; Appointment; Removal

8 “(b)(1) The Commissioner shall be appointed for a term
9 of five years, except that—

10 “(A) the individual first appointed to the office of
11 Commissioner shall serve for a term ending December
12 31, 1989,

13 “(B) an individual appointed Commissioner for a
14 term after the commencement of such term shall be ap-
15 pointed only for the remainder of such term, and

16 “(C) an individual may, at the request of the
17 Chairperson of the Board, serve as Commissioner after
18 the expiration of his or her term for not more than one
19 year until his or her successor has taken office.

20 An individual may be appointed as Commissioner for succes-
21 sive terms.

22 “(2) An individual may be removed from the office of
23 Commissioner before completion of his or her term only upon
24 the vote of a majority of the full membership of the Board,
25 pursuant to a finding by the Board of neglect of duty or mal-

1 feasance in office. The Board shall transmit any such finding
2 to the Speaker of the House of Representatives and the Ma-
3 jority Leader of the Senate not later than five days after the
4 date on which such finding is made.

5 “Functions of the Commissioner

6 “(c) The Commissioner shall—

7 “(1) constitute the chief operating officer of the
8 Agency, responsible for administering, in accordance
9 with applicable statutes and regulations, the old-age
10 and survivors insurance program under title II and the
11 supplemental security income program under title XVI,

12 “(2) establish and maintain an efficient and effec-
13 tive operational structure for the Agency,

14 “(3) devise and implement long-term plans to pro-
15 mote and maintain the effective implementation of such
16 programs,

17 “(4) make annual budgetary recommendations of
18 the Agency for the ongoing administrative costs of the
19 Agency and defend such recommendations before the
20 Board and before the appropriate Committees of each
21 House of the Congress,

22 “(5) advise the Board and the Congress of the
23 effect on the administration of such programs of pro-
24 posed legislative changes in such programs,

1 “(6) serve as Secretary of the Board of Trustees
2 of the Federal Old-Age, Survivors, and Disability In-
3 surance Trust Fund and the Federal Disability Insur-
4 ance Trust Fund, and

5 “(7) report in December of each year to the
6 Board and the Congress concerning the administrative
7 endeavors and accomplishments of the Agency.

8 “Office of Hearings and Appeals; Chief Administrative Law
9 Judge

10 “(d)(1) There shall be in the Office of the Commissioner
11 an Office of Hearings and Appeals, to be headed by a Chief
12 Administrative Law Judge. The Chief Administrative Law
13 Judge shall be appointed by the Board from among individ-
14 uals recommended by the Commissioner who have served for
15 not less than five years as an administrative law judge in the
16 Agency, in the Social Security Administration in the Depart-
17 ment of Health and Human Services, or any combination
18 thereof. The Chief Administrative Law Judge shall assist the
19 Commissioner in carrying out responsibilities of the Commis-
20 sioner relating to hearings under this Act.

21 “(2) The Chief Administrative Law Judge shall be ap-
22 pointed for a term of five years, except that—

23 “(A) the individual first appointed to the office of
24 Chief Administrative Law Judge shall serve for a term
25 ending December 31, 1990,

1 “(B) an individual appointed Chief Administrative
2 Law Judge for a term after commencement of such
3 term shall be appointed only for the remainder of such
4 term, and

5 “(C) an individual may, at the request of the
6 Chairperson of the Board, serve as Chief Administra-
7 tive Law Judge after the expiration of his or her term
8 for not more than one year until his or her successor
9 has taken office.

10 An individual may be appointed as Chief Administrative Law
11 Judge for successive terms.

“(3) An individual may be removed from the office of Chief Administrative Law Judge before completion of his or her term only upon the vote of a majority of the full membership of the Board, pursuant to a finding by the Board of neglect of duty or malfeasance in office. The Board shall transmit any such finding to the Committee on the Judiciary of the House of Representatives and the Committee on the Judiciary of the Senate not later than five days after the date on which such finding is made.

21 “Organization of the Office of the Commissioner; Delegation
22 of Functions

23 “(e)(1) The Commissioner may establish, alter, consoli-
24 date, or discontinue such organizational units or components
25 within the Office of the Commissioner as the Commissioner

1 considers necessary or appropriate to carry out his or her
2 functions, except that this paragraph shall not apply with re-
3 spect to the Chief Administrative Law Judge and the Office
4 of Hearings and Appeals.

5 “(2) The Commissioner may assign duties, and delegate,
6 or authorize successive redelegations of, authority to act and
7 to render decisions, with respect to the administration of the
8 old-age, survivors, and disability insurance program under
9 title II and the supplemental security income program under
10 title XVI, to such officers and employees as the Commission-
11 er may find necessary. Within the limitations of such delega-
12 tions, redelegations, or assignments, all official acts and deci-
13 sions of such officers and employees shall have the same
14 force and effect as though performed or rendered by the
15 Commissioner.

16 “(3)(A) The Commissioner shall appoint such additional
17 employees as he or she considers necessary to carry out the
18 his or her functions.

19 “(B) The Commissioner may appoint, without regard to
20 the provisions of title 5, United States Code, governing ap-
21 pointments in the competitive service, such technical or pro-
22 fessional employees as the Commissioner considers appropri-
23 ate, and such employees may be paid without regard to the
24 provisions of chapter 51 and subchapter III of chapter 53 of

1 such title relating to classification and General Schedule pay
2 rates.

3 “(C) The Commissioner may procure the services of ex-
4 perts and consultants in accordance with the provisions of
5 section 3109 of title 5, United States Code.

6 “(D) The Commissioner may delegate such powers of
7 appointment and procurement to any of the employees in the
8 Office of the Commissioner as he or she determines appropri-
9 ate.

10 “(4) To the extent requested by the Commissioner, the
11 Director of the Office of Personnel Management shall dele-
12 gate to the Commissioner, pursuant to section 1104 of title 5,
13 United States Code, and subject to applicable limitations
14 under such title relating to delegations under such section,
15 functions relating to—

16 “(A) recruitment and examination programs for
17 entry level employees, and

18 “(B) classification and standards development sys-
19 tems and pay ranges for those job categories identified
20 by the Commissioner in assuming such delegation.

21 The Director of the Office of Personnel Management shall
22 provide any assistance requested by the Commissioner in as-
23 suming any such delegation.”.

.

1 (b)(1) Section 5313 of title 5, United States Code (relat-
 2 ing to level II of the Executive Schedule) is further amended
 3 by adding at the end thereof the following new item:

4 “Commissioner of Social Security, Social Security
 5 Agency.”.

6 (2) Section 5315 of such title (relating to level IV of the
 7 Executive Schedule) is further amended by adding at the end
 8 thereof the following new item:

9 “Chief Administrative Law Judge, Social Security
 10 Agency.”.

11 (3) Section 5315 of such title is further amended by
 12 striking out the following item:

13 “Commissioner of Social Security, Department of
 14 Health and Human Services.”.

15 SOCIAL SECURITY OMBUDSMAN; CITIZENS’ ADVISORY
 16 COMMITTEE

17 SEC. 4. (a) Section 703 of the Social Security Act is
 18 amended to read as follows:

19 “Social Security Ombudsman; Citizens’ Advisory Committee

20 “social security ombudsman

21 “SEC. 703. (a) There shall be in the Agency an Office of
 22 the Ombudsman, to be headed by a Social Security Ombuds-
 23 man (hereinafter in this title referred to as the ‘Ombudsman’)
 24 appointed by the Board.

1 “Term, Appointment, and Removal of Ombudsman

2 “(b)(1) The Ombudsman shall be appointed for a term of
3 five years, except that—

4 “(A) the individual first appointed to the office of
5 Ombudsman shall serve for a term ending December
6 31, 1991,

7 “(B) an individual appointed Ombudsman for a
8 term after commencement of such term shall be ap-
9 pointed only for the remainder of such term, and

10 “(C) an individual may, at the request of the
11 Chairperson of the Board, serve as Ombudsman after
12 the expiration of his or her term for not more than one
13 year until his or her successor has taken office.

14 An individual may be appointed as Ombudsman for succes-
15 sive terms.

16 “(2) An individual may be removed from the office of
17 Ombudsman before completion of his or her term only upon
18 the vote of a majority of the full membership of the Board,
19 pursuant to a finding by the Board of neglect of duty or mal-
20 feasance in office. The Board shall transmit any such finding
21 to the Committee on Government Operations of the House of
22 Representatives and the Committee on Governmental Affairs
23 of the Senate not later than five days after such finding is
24 made.

1 “Functions of the Ombudsman

2 “(c) The Ombudsman shall—

3 “(1) represent the concerns of the public, includ-
4 ing beneficiaries, relating to the old-age, survivors, and
5 disability insurance program under title II and the sup-
6 plemental security income program under title XVI, to
7 the Commissioner, the Board, the President, and the
8 Congress, and

9 “(2) conduct such studies and surveys of the ad-
10 ministrative effectiveness and program policy goals of
11 the Agency as he or she considers appropriate or as
12 requested by the Citizens’ Advisory Committee.

13 “Staff of the Ombudsman

14 “(d) The Ombudsman shall appoint such additional em-
15 ployees as he or she considers necessary to carry out his or
16 her functions and may procure the services of experts and
17 consultants in accordance with the provisions of section 3109
18 of title 5, United States Code.

19 “Citizens’ Advisory Committee

20 “(e)(1) There shall be in the Office of the Ombudsman a
21 Citizens’ Advisory Committee (hereinafter in the subsection
22 referred to as the ‘Committee’).

23 “(2) The Committee shall consist of—

24 “(A) three members appointed by the Board,

1 “(B) three members appointed by the Speaker of
2 the House of Representatives (in consultation with the
3 Chairperson of the Committee on Ways and Means and
4 the Chairperson of the Committee on Government Op-
5 erations), and

6 “(C) three members appointed by the Majority
7 Leader of the Senate (in consultation with the Chair-
8 person of the Committee on Finance and the Chairper-
9 son of the Committee on Governmental Affairs).

10 “(3)(A) The members of the Committee shall be chosen
11 on the basis of their integrity, impartiality, and good judg-
12 ment, from among individuals who, by reason of their educa-
13 tion, experience, and attainments, are exceptionally qualified
14 to perform the duties of members of the Committee.

15 “(B) Of the members appointed under each of subpara-
16 graphs (A), (B), and (C) of paragraph (2)—

17 “(i) one shall be appointed from individuals repre-
18 senting the interests of employers (including self-em-
19 ployed individuals),

20 “(ii) another shall be appointed from individuals
21 representing the interests of employees, and

22 “(iii) the remaining member shall be appointed
23 from individuals representing the interests of
24 beneficiaries.

1 “(4)(A) Except as provided in subparagraphs (B) and
2 (C), the appointed members shall be appointed for terms of
3 three years.

4 “(B) Of the members first appointed—

5 “(i) the member appointed under paragraph (2)(A)
6 representing the interests of employees, the member
7 appointed under paragraph (2)(B) representing the in-
8 terests of employers, and the member appointed under
9 paragraph (2)(C) representing the interests of benefici-
10 aries shall each be appointed for a term of one year,

11 “(ii) the member appointed under paragraph (2)(A)
12 representing the interests of employers, the member
13 appointed under paragraph (2)(B) representing the in-
14 terests of beneficiaries, and the member appointed
15 under paragraph (2)(C) representing the interests of
16 employees shall each be appointed for a term of two
17 years, and

18 “(iii) the member appointed under paragraph
19 (2)(A) representing the interests of beneficiaries, the
20 member appointed under paragraph (2)(B) representing
21 the interests of employees, and the member appointed
22 under paragraph (2)(C) representing the interests of
23 employers shall each be appointed for a term of three
24 years.

1 “(C) Any member appointed for a term after the com-
2 mencement of such term shall be appointed only for the re-
3 mainder of such term.

4 “(5) Members of the Committee appointed under para-
5 graph (2) shall be appointed without regard to the provisions
6 of title 5, United States Code, governing appointments in the
7 competitive service. Such members, while attending meetings
8 or conferences thereof or otherwise serving on the business of
9 the Committee, shall be paid at rates fixed by the Board, but
10 not exceeding \$100 for each day, including traveltime, during
11 which they are engaged in the actual performance of duties
12 vested in the Committee; and while so serving away from
13 their homes or regular places of business they may be al-
14 lowed travel expenses, including per diem in lieu of subsist-
15 ence, as authorized by section 5703 of title 5, United States
16 Code, for persons in the Government service employed inter-
17 mittently.

18 “(6) The Committee may engage such technical assist-
19 ance as may be necessary to carry out its functions. The
20 Ombudsman shall make available to the Committee such sec-
21 retarial, clerical, and other assistance available in the Office
22 of the Ombudsman, and the Commissioner shall make avail-
23 able any pertinent data prepared by the Office of the Com-
24 missioner, as the Committee may require to carry out its
25 functions.

1 “(7) The Committee shall—

2 “(A) prepare and transmit to each House of the
3 Congress a biennial report, in May of each odd-num-
4 bered year, assessing the administration and objectives
5 of the old-age, survivors, and disability insurance pro-
6 gram under title II and the supplemental security
7 income program under title XVI, and

8 “(B) as it considers appropriate, request, and
9 assist in the preparation of, studies and surveys by the
10 Ombudsman pursuant to subsection (c)(2).”.

11 (b) Section 5315 of title 5, United States Code (relating
12 to level IV of the Executive Schedule) is further amended by
13 adding at the end thereof the following new item:

14 “Social Security Ombudsman, Social Security
15 Agency.”.

16 TRANSFER OF FUNCTIONS

17 SEC. 5. (a) There are transferred to the Social Security
18 Agency all functions carried out by the Secretary of Health
19 and Human Services with respect to the programs and activi-
20 ties the administration of which is vested in the Social Secu-
21 rity Agency by reason of this Act and the amendments made
22 thereby. The Social Security Board shall prescribe such regu-
23 lations as are necessary to allocate such functions in accord-
24 ance with sections 701, 702, and 703 of the Social Security
25 Act (as amended by this Act).

(b)(1) There are transferred from the Department of Health and Human Services to the Social Security Board, for appropriate allocation by the Board by regulation in the Social Security Agency—

5 (A) the personnel employed in connection with the
6 functions transferred by this Act and the amendments
7 made thereby, and

8 (B) the assets, liabilities, contracts, property,
9 records, and unexpended balance of appropriations, au-
10 thorizations, allocations, and other funds employed,
11 held, or used in connection with such functions, arising
12 from such functions, or available, or to be made avail-
13 able, in connection such functions.

(2) Unexpended funds transferred pursuant to this sub-
section shall be used only for the purposes for which the
funds were originally authorized and appropriated.

(c) The position of Commissioner of Social Security in the Department of Health and Human Services is abolished.

SEC. 6. (a) All orders, determinations, rules, regula-
tions, permits, contracts, certificates, licenses, and privi-
leges—

(1) which have been issued, made, promulgated, granted, or allowed to become effective, in the exercise of functions (A) which were exercised by the Secretary of Health and Human Services (or his delegate), and

1 (B) which relate to functions which, by reason of this
2 Act, the amendments made thereby, and regulations
3 prescribed thereunder, are vested in the Social Security
4 Board or the Commissioner of Social Security, and

5 (2) which are in effect at the time this Act takes
6 effect,

7 shall (to the extent that they relate to functions described in
8 paragraph (1)(B)) continue in effect according to their terms
9 until modified, terminated, suspended, set aside, or repealed
10 by such Board or Commissioner (as the case may be).

11 (b) The provisions of this Act (including the amendments
12 made thereby) shall not affect any proceeding pending at the
13 time this Act takes effect before the Secretary of Health and
14 Human Services with respect to functions vested (by reason
15 of this Act, the amendments made thereby, and regulations
16 prescribed thereunder) in the Social Security Board or the
17 Commissioner of Social Security, except that such proceed-
18 ings, to the extent that they relate to such functions, shall
19 continue before such Board or Commissioner (as the case
20 may be). Orders shall be issued under any such proceeding,
21 appeals taken therefrom, and payments shall be made pursu-
22 ant to such orders, in like manner as if this Act had not been
23 enacted, and orders issued in any such proceeding shall con-
24 tinue in effect until modified, terminated, superseded, or re-

1 pealed by such Board or Commissioner (as the case may be),
2 by a court of competent jurisdiction, or by operation of law.

3 (c) Except as provided in this subsection—

4 (1) the provisions of this Act shall not affect suits
5 commenced prior to the date this Act takes effect; and

6 (2) in all such suits proceedings shall be had, ap-
7 peals taken, and judgments rendered, in the same
8 manner and effect as if this Act had not been enacted.

9 No cause of action, and no suit, action, or other proceeding
10 commenced by or against any officer in his official capacity as
11 an officer of the Department of Health and Human Services,
12 shall abate by reason of the enactment of this Act. Causes of
13 action, suits, actions, or other proceedings may be asserted
14 by or against the United States and the Social Security
15 Agency, or such official of such Agency as may be appropri-
16 ate, and, in any litigation pending when this section takes
17 effect, the court may at any time, on its own motion or that
18 of a party, enter an order which will give effect to the provi-
19 sions of this subsection (including, where appropriate, an
20 order for substitution of parties).

21 (d) This Act shall not have the effect of releasing or
22 extinguishing any criminal prosecution, penalty, forfeiture, or
23 liability incurred as a result of any function which (by reason
24 of this Act, the amendments made thereby, and regulations

1 prescribed thereunder) is vested in the Social Security Board
2 or the Commissioner of Social Security.

3 (e) Orders and actions of the Social Security Board and
4 the Commissioner of Social Security in the exercise of func-
5 tions vested in such Board or Commissioner (as the case may
6 be) under this Act (and the amendments made thereby) shall
7 be subject to judicial review to the same extent and in the
8 same manner as if such orders and actions had been taken by
9 the Secretary of Health and Human Services in the exercise
10 of such functions immediately preceding the effective date of
11 this Act. Any statutory requirements relating to notice, hear-
12 ings, action upon the record, or administrative review that
13 apply to any function so vested in such Board or Commis-
14 sioner shall continue to apply to the exercise of such function
15 by such Board or Commissioner (as the case may be).

16 (f) In the exercise of the functions vested in the Social
17 Security Board or the Commissioner of Social Security under
18 this Act, the amendments made thereby, and regulations pre-
19 scribed thereunder, such Board or Commissioner (as the case
20 may be) shall have the same authority as that vested in the
21 Secretary of Health and Human Services with respect to the
22 exercise of such functions immediately preceding the vesting
23 of the same in such Board or Commissioner, and actions of
24 such Board or Commissioner shall have the same force and
25 effect as when exercised by such Secretary.

1 BUDGETARY AND FISCAL AFFAIRS OF THE SOCIAL
2 SECURITY AGENCY

3 SEC. 7. Title VII of the Social Security Act is further
4 amended by adding at the end thereof the following new sec-
5 tion:

6 "BUDGETARY AND FISCAL AFFAIRS OF THE SOCIAL
7 SECURITY AGENCY

8 “Apportionment of Appropriations

9 “SEC. 711. (a) Appropriations requests of the Social Se-
10 curity Agency for staffing and personnel shall be based upon
11 comprehensive workforce plans. The entire amount of appro-
12 priations provided for the administrative costs of the Social
13 Security Agency shall be apportioned in the time period pro-
14 vided in title 31, United States Code, for apportionment and
15 shall be apportioned for the entire period of availability with-
16 out restriction or deduction by the apportioning officer or em-
17 ployee of the Office of Management and Budget or any other
18 entity within the executive branch of the Federal Govern-
19 ment, except as otherwise provided in this section.

20 “Appropriations for Administrative Expenses; Contract Au-
21 thority; Availability of Trust Funds; Contingent Appro-
22 priations

23 “(b)(1) Authority of the Social Security Agency for
24 automated data processing procurement and facilities con-
25 struction shall be provided in the form of contract authority

1 covering the total costs of such acquisitions, to be available
2 until expended.

3 “(2) Amounts necessary for the liquidation of contract
4 authority provided pursuant to this section are hereby made
5 available from the Federal Old-Age and Survivors Insurance
6 Trust Fund and the Federal Disability Insurance Trust Fund
7 to the extent that the Social Security Board, with the concur-
8 rence of the Secretary of the Treasury, determines that any
9 of such amounts to be provided from either such Trust Fund
10 are not necessary to meet the current obligations for benefit
11 payments from such Trust Fund.

12 “(3) Funds appropriated for the Social Security Agency
13 to be available on a contingency basis shall be apportioned
14 only upon the occurrence of the stipulated contingency, as de-
15 termined by the Social Security Board and reported to each
16 House of the Congress.

17 “Mandatory Delegations from Administrator of General
18 Services

19 “(c)(1) To the extent requested by the Commissioner,
20 the Commissioner shall have—

21 “(A) all authorities permitted to be delegated
22 under the provisions of Federal law codified under title
23 40 of the United States Code, that the Commissioner
24 considers are necessary for the acquiring, operating,
25 and maintaining of the facilities needed for the adminis-

1 tration of programs for which the Commissioner is
2 given responsibility under this Act,

3 “(B) all authorities permitted to be delegated
4 under section 111 of the Federal Property and Admin-
5 istrative Services Act of 1949 (40 U.S.C. 759), relat-
6 ing to the lease, purchase, or maintenance of automat-
7 ed data processing equipment, and

8 “(C) the authority to contract for any automated
9 data processing equipment or services which the Com-
10 missioner considers necessary for the efficient and ef-
11 fective operation of such programs.

12 “(2) The Administrator of the General Services Admin-
13 istration shall provide any assistance requested by the Com-
14 missioner in assuming the delegations required under para-
15 graph (1).”.

16 TECHNICAL AND CONFORMING AMENDMENTS; RULES OF
17 CONSTRUCTION

18 SEC. 8. (a) Title II (other than section 201, section
19 231(c), section 226, and section 226A) and title XVI of the
20 Social Security Act are each amended—

21 (1) by striking out, wherever it appears therein,
22 “Secretary of Health and Human Services” or “Secre-
23 tary of Health, Education, and Welfare” and inserting
24 in lieu thereof “Commissioner”,

25 (2) by striking out, wherever it appears therein,
26 “Department of Health and Human Services” or “De-

1 partment of Health, Education, and Welfare” and in-
2 serting in lieu thereof “Social Security Agency”,

3 (3) by striking out, wherever it appears therein,
4 “Department” (but only if it is not immediately suc-
5 ceeded by the words “of Health and Human Services”
6 or “of Health, Education, and Welfare”, and only if it
7 is used in reference to the Department of Health and
8 Human Services or the Department of Health, Educa-
9 tion, and Welfare) and inserting in lieu thereof “Social
10 Security Agency”, and

11 (4) by striking out, wherever it appears therein,
12 each of the following words (but, in the case of any
13 such word only if such word refers to the Secretary of
14 Health and Human Services or to the Secretary of
15 Health, Education, and Welfare): “Secretary”, “Secre-
16 tary’s”, “his”, “him”, and “he”, and inserting in lieu
17 thereof (in the case of the word “Secretary”) “Com-
18 missioner”, (in the case of the word “Secretary’s”)
19 “Commissioner’s”, (in the case of the word “his”) “the
20 Commissioner’s”, (in the case of the word “him”) “the
21 Commissioner”, and (in the case of the word “he”)
22 “the Commissioner”.

23 (b)(1) Section 201(a)(3) of such Act is amended by strik-
24 ing out “Secretary of Health, Education, and Welfare” and
25 inserting in lieu thereof “Commissioner”.

1 (2) Section 201(c) of such Act is amended—

2 (A) in the first sentence, by striking out “shall be
3 composed of” and all that follows down through “ex
4 officio” and inserting in lieu thereof the following:
5 “shall be composed of the members of the Social Secu-
6 rity Board, the Secretary of the Treasury, and the Sec-
7 retary of Health and Human Services, all ex officio”;

8 (B) by inserting after the first sentence the follow-
9 ing new sentence: “The Chairperson of the Social Se-
10 curity Board shall be the Chairperson of the Board of
11 Trustees.”; and

12 (C) in the seventh sentence (before application of
13 subparagraph (B)), by striking out “: *Provided*, That
14 the certification shall not refer to economic assump-
15 tions underlying the Trustee’s report”.

16 (3) Section 201(g)(1)(A) of such Act is amended—

17 (A) in clause (i), by striking out “by him and the
18 Secretary of Health, Education, and Welfare” and in-
19 serting in lieu thereof “by him, the Commissioner, and
20 the Secretary of Health and Human Services”, and by
21 striking out “by the Department of Health, Education,
22 and Welfare and the Treasury Department” and in-
23 serting in lieu thereof “by the Social Security Agency,
24 the Department of Health and Human Services, and
25 the Department of the Treasury”;

1 (B) in clause (ii), by striking out “method pre-
2 scribed by the Board of Trustees under paragraph (4)”
3 and inserting in lieu thereof “applicable method pre-
4 scribed under paragraph (4)”, by striking out “the Sec-
5 retary of Health, Education, and Welfare” and insert-
6 ing in lieu thereof “the Commissioner and the Secre-
7 tary of Health and Human Services”, and by striking
8 out “the Department of Health, Education, and Wel-
9 fare” and inserting in lieu thereof “the Social Security
10 Agency and the Department of Health and Human
11 Services”; and

12 (C) by striking out the last sentence and inserting
13 in lieu thereof the following: “There are hereby au-
14 thorized to be made available for expenditure, out of
15 any or all of the Trust Funds, such amounts as the
16 Congress may deem appropriate to pay the costs of the
17 part of the administration of this title and title XVI for
18 which the Commissioner is responsible, the costs of
19 title XVIII for which the Secretary of Health and
20 Human Services is responsible, and the costs of carry-
21 ing out the functions of the Social Security Agency,
22 specified in section 232, which relate to the adminis-
23 tration of provisions of the Internal Revenue Code of
24 1954 other than those referred to in clause (i) of the
25 first sentence of this subparagraph.”.

1 (4) Section 201(g)(1) of such Act is amended—

2 (A) in the fourth sentence of subparagraph (A), by
3 inserting “(if any)” after “amounts”; and

4 (B) by striking out subparagraph (B) and inserting
5 in lieu thereof the following new subparagraphs:

6 “(B) After the close of each fiscal year—

7 “(i) the Commissioner shall determine (I) the por-
8 tion of the costs, incurred during such fiscal year, of
9 administration of this title and title XVI and of carry-
10 ing out the functions of the Social Security Agency,
11 specified in section 232, which relate to the adminis-
12 tration of provisions of the Internal Revenue Code of
13 1954 (other than those referred to in clause (i) of the
14 first sentence of subparagraph (A)), which should have
15 been borne by the general fund in the Treasury, (II)
16 the portion (if any) of such costs which should have
17 been borne by the Federal Old-Age and Survivors In-
18 surance Trust Fund, and (III) the portion (if any) of
19 such costs which should have been borne by the Feder-
20 al Disability Insurance Trust Fund, and

21 “(ii) the Secretary of Health and Human Services
22 shall determine (I) the portion of the costs, incurred
23 during such fiscal year, of administration of title XVIII
24 which should have been borne by the general fund in
25 the Treasury, (II) the portion (if any) of such costs

1 which should have been borne by the Federal Hospital
2 Insurance Trust Fund, and (III) the portion (if any) of
3 such costs which should have been borne by the Feder-
4 al Supplementary Medical Insurance Trust Fund,
5 except that the determination of the amounts to be borne by
6 the general fund in the Treasury with respect to expenditures
7 incurred in carrying out such functions specified in section
8 232 shall be made pursuant to the applicable method pre-
9 scribed under paragraph (4) of this subsection.

10 “(C) After the determinations under subparagraph (B)
11 have been made for any fiscal year, the Commissioner and
12 the Secretary of Health and Human Services shall each cer-
13 tify to the Managing Trustee the amounts (if any) which
14 should be transferred from each of the Trust Funds to the
15 general fund in the Treasury and from the general fund in the
16 Treasury to each of the Trust Funds, in order to ensure that
17 each of the Trust Funds and the general fund in the Treasury
18 have borne their proper share (if any) of the costs, incurred
19 during such fiscal year, for (i) the part of the administration of
20 this title and title XVI for which the Commissioner is respon-
21 sible, (ii) the part of the administration of title XVIII for
22 which the Secretary of Health and Human Services is re-
23 sponsible, and (iii) carrying out the functions of the Social
24 Security Agency, specified in section 232, which relate to the
25 administration of provisions of the Internal Revenue Code of

1 1954 (other than those referred to in clause (i) of the first
2 sentence of subparagraph (A)). The Managing Trustee shall
3 transfer any such amounts in accordance with any certifica-
4 tion so made.”.

5 (5) Section 201(g)(2) of such Act is amended, in the
6 second sentence, by striking out “established and maintained
7 by the Secretary of Health, Education, and Welfare” and
8 inserting in lieu thereof “maintained by the Commissioner”,
9 and by striking out “Secretary shall furnish” and inserting in
10 lieu thereof “Commissioner shall furnish”.

11 (6) Section 201(g)(4) of such Act is amended to read as
12 follows:

13 “(4) The Commissioner shall utilize the method pre-
14 scribed pursuant to this paragraph, as of immediately before
15 the date of the enactment of the Social Security Reorganiza-
16 tion Act of 1984, for determining the costs which should be
17 borne by the general fund in the Treasury of carrying out the
18 functions of the Commissioner, specified in section 232,
19 which relate to the administration of provisions of the Inter-
20 nal Revenue Code of 1954 (other than those referred to in
21 clause (i) of the first sentence of paragraph (1)(A)). If at any
22 time or times thereafter the Commissioner considers such
23 action advisable, it may modify the method of determining
24 such costs.”.

1 (7) Section 201(i)(1) of such Act is amended to read as
2 follows:

3 “(i)(1) The Managing Trustee may accept on behalf of
4 the United States money gifts and bequests made uncondi-
5 tionally to the Federal Old-Age and Survivors Insurance
6 Trust Fund, the Federal Disability Insurance Trust Fund,
7 the Federal Hospital Insurance Trust Fund, or the Federal
8 Supplementary Medical Insurance Trust Fund or to the
9 Social Security Agency, the Department of Health and
10 Human Services, or any part or officer thereof, for the benefit
11 of any of such Funds or any activity financed through such
12 Funds.”.

13 (8) Subsections (j) and (k) of section 201 of such Act are
14 each amended by striking out “Secretary” each place it ap-
15 pears and inserting in lieu thereof “Commissioner”.

16 (9)(A) Section 201(l)(1) of such Act is amended—

17 (i) by striking out “Managing Trustee” the first
18 place it appears and inserting in lieu thereof “Social
19 Security Board”;

20 (ii) by striking out “Managing Trustee may
21 borrow” and inserting in lieu thereof “Managing Trust-
22 ee, on the request of the Board, shall borrow”; and

23 (iii) by striking out “he determines” and inserting
24 in lieu thereof “the Board determines”.

25 (B) Section 201(l)(3)(A) of such Act is amended—

1 (i) by striking out “Managing Trustee” and insert-
2 ing in lieu thereof “Social Security Board”;

3 (ii) by striking out “he shall make” and inserting
4 in lieu thereof “the Managing Trustee shall make”;
5 and

6 (iii) by striking out “he determines” and inserting
7 in lieu thereof “the Board determines”.

8 (C) Section 201(l)(3)(B)(i) of such Act is amended—

9 (i) by striking out “Managing Trustee” and insert-
10 ing in lieu thereof “Social Security Board”; and

11 (ii) by striking out “he shall transfer” and insert-
12 ing in lieu thereof “the Managing Trustee shall
13 transfer”.

14 (D) Section 201(l)(3)(B)(iii)(II) of such Act is amended
15 by striking out “Secretary” and inserting in lieu thereof
16 “Social Security Board”.

17 (E) Section 201(l)(3)(C)(ii) of such Act is amended, in
18 the last sentence, by striking out “The Managing Trustee
19 may” and inserting in lieu thereof “To the extent requested
20 by the Social Security Board, the Managing Trustee shall”.

21 (F) Section 201(l)(4) of such Act is amended by striking
22 out “Board of Trustees” and inserting in lieu thereof “Social
23 Security Board”.

1 (10) Section 201(m)(3) of such Act is amended by strik-
2 ing out “Secretary of Health and Human Services” and in-
3 serting in lieu thereof “Commissioner”.

4 (c) Section 231(c) of such Act is amended by striking out
5 “Secretary determines” and inserting in lieu thereof “Com-
6 missioner and the Secretary jointly determine”.

7 (d)(1) Section 402 of such Act is amended by striking
8 out “Administrator” each place it appears and inserting in
9 lieu thereof “Secretary”.

10 (2) Section 411 of such Act is amended—

11 (A) in subsection (a), by striking out “Secretary”
12 and inserting in lieu thereof “Commissioner, at the re-
13 quest of the Secretary,” and by striking out “Social
14 Security Administration” and inserting in lieu thereof
15 “Social Security Agency”; and

16 (B) in subsection (b), by striking out “Secretary”
17 each place it appears and inserting in lieu thereof
18 “Commissioner”.

19 (e)(1) Section 704 of such Act is amended in the heading
20 by inserting “BY THE SECRETARY” after “REPORTS”.

21 (2) Section 709(b)(2) of such Act is amended by striking
22 out “(as estimated by the Secretary)” and inserting in lieu
23 thereof “, as estimated by the Commissioner or the Secre-
24 tary (whichever administers the program involved),”.

1 (3) Title VII of such Act is further amended by adding
2 at the end thereof the following new section:

3 “DUTIES OF SECRETARY

4 “SEC. 712. The Secretary shall perform the duties im-
5 posed upon him by this Act and shall also have the duty of
6 studying and making recommendations as to the most effec-
7 tive methods of providing economic security and as to legisla-
8 tion and matters of administrative policy concerning the pro-
9 grams administered by the Secretary and related subjects;
10 except that nothing in this section shall be construed to re-
11 quire the Secretary to make studies or recommendations with
12 respect to programs administered by the Social Security
13 Agency.”.

14 (f)(1) Section 1101(a) of such Act is amended by adding
15 at the end thereof the following new paragraph:

16 “(10) The term ‘Commissioner’ means the Com-
17 missioner of Social Security.”.

18 (2) Section 1106(a) of such Act is amended—

19 (A) by inserting “(1)” after “(a)”;

20 (B) by striking out “Federal Security Agency”
21 and inserting in lieu thereof “applicable agency”;

22 (C) by striking out “Administrator” and inserting
23 in lieu thereof “head of the applicable agency”; and

24 (D) by adding at the end thereof the following
25 new paragraph:

26 “(2) For purposes of this subsection and subsection (b)—

1 “(A) the term ‘applicable agency’ means—

2 “(i) the Social Security Agency, with respect
3 to matter transmitted to or obtained by such Ad-
4 ministration or matter disclosed by such Agency,

5 “(ii) the Department of Health and Human
6 Services, with respect to matter transmitted to or
7 obtained by such Department or matter disclosed
8 by such Department, or

9 “(iii) the Department of Labor, with respect
10 to matter transmitted to or obtained by such De-
11 partment or matter disclosed by such Department,
12 and

13 “(B) the term ‘head of the applicable agency’
14 means, in the case of the Social Security Agency, the
15 Commissioner.”.

16 (3) Section 1106(b) of such Act is amended—

17 (A) by striking out “Secretary” and inserting in
18 lieu thereof “head of the applicable agency”; and

19 (B) by striking out “Department of Health, Edu-
20 cation, and Welfare” and inserting in lieu thereof “ap-
21 plicable agency”.

22 (4) Section 1106(c) of such Act is amended—

23 (A) by striking out “the Secretary” the first place
24 it appears and inserting in lieu thereof “the Commis-
25 sioner or the Secretary”; and

1 (B) by striking out “the Secretary” each subse-
2 quent place it appears and inserting in lieu thereof
3 “such Commissioner or Secretary”.

4 (5) Section 1107(b) of such Act is amended by striking
5 out “the Secretary of Health, Education, and Welfare” and
6 inserting in lieu thereof “the Commissioner or the Secre-
7 tary”.

8 (6) Section 1110 of such Act is amended—

9 (A) by striking out “Secretary” each place it ap-
10 pears and inserting in lieu thereof “Commissioner”;

11 (B) by striking out “he”, “his”, and “him” each
12 place they appear and inserting in lieu thereof “the
13 Commissioner”, “the Commissioner’s”, and “the Com-
14 missioner”, respectively; and

15 (C) by striking out “or makes them himself”, in
16 subsection (b)(1), and inserting in lieu thereof “or the
17 Commissioner makes them”.

18 (7) Section 1127 of such Act is amended by striking out
19 “Secretary” and inserting in lieu thereof “Commissioner”.

20 (8) Section 1131 of such Act is amended by striking out
21 “Secretary” each place it appears and inserting in lieu there-
22 of “Commissioner”.

23 (g) Subsections (a) and (f) of section 1817 of such Act
24 are amended by striking out “Secretary of Health, Educa-

1 tion, and Welfare” each place it appears and inserting in lieu
2 thereof “Commissioner”.

3 (h) The Inspector General Act of 1978 is amended—

4 (1) in section 2(1), by striking out “and the Veter-
5 ans’ Administration” and inserting in lieu thereof “the
6 Veterans’ Administration, and the Social Security
7 Agency”;

8 (2) in section 9(a)(1), by striking out “and” at the
9 end of subparagraph (M), and by adding at the end
10 thereof the following new subparagraph:

11 “(O) of the Social Security Agency, to the
12 extent provided in the Social Security Reorgani-
13 zation Act of 1984, the functions of the Inspector
14 General of the Department of Health and Human
15 Services relating to the administration of the old-
16 age, survivors, and disability insurance program
17 under title II of the Social Security Act and of
18 the supplemental security income program under
19 title XVI of such Act; and”;

20 (3) in section 11(1), by striking out “or” after
21 “Transportation” and inserting in lieu thereof a
22 comma, and by inserting after “Affairs,” the following:
23 “or the Commissioner of Social Security of the Social
24 Security Agency,”; and

1 (4) in section 11(2), by striking out “or” after
2 “Transportation”, and by inserting after “Veterans’
3 Administration,” the following: “or the Social Security
4 Agency,”.

5 (i)(1) Whenever any reference is made in any provision
6 of law (other than this Act or a provision of law amended by
7 this Act), regulation, rule, record, or document to the De-
8 partment of Health and Human Services with respect to such
9 Department’s functions under the old-age, survivors, and dis-
10 ability insurance program under title II of the Social Security
11 Act or the supplemental security income program under title
12 XVI of such Act, such reference shall be considered a refer-
13 ence to the Social Security Agency.

14 (2) Whenever any reference is made in any provision of
15 law (other than this Act or a provision of law amended by
16 this Act), regulation, rule, record, or document to the Secre-
17 tary of Health and Human Services with respect to such Sec-
18 retary’s functions under such programs, such reference shall
19 be considered a reference to—

20 (A) the Social Security Board, with respect to
21 functions described in section 701 of the Social Securi-
22 ty Act (as amended by this Act), and

23 (B) the Commissioner of Social Security, with re-
24 spect to functions described in section 702 of the Social
25 Security Act (as amended by this Act).

1 (3) Whenever any reference is made in any provision of
2 law (other than this Act or a provision of law amended by
3 this Act), regulation, rule, record, or document to any other
4 officer or employee of the Department of Health and Human
5 Services with respect to to such officer or employee's func-
6 tions under such programs, such reference shall be considered
7 a reference to the appropriate officer or employee of the
8 Social Security Agency.

9 REPORTS ASSESSING ORGANIZATIONAL CHANGES

10 SEC. 9. (a) Five years after the date of the enactment of
11 this Act, the Social Security Board, the Comptroller General
12 of the United States, and the Secretary of Health and
13 Human Services shall each submit to each House of the Con-
14 gress a report setting forth in detail an assessment of the
15 organizational changes made by this Act and the amend-
16 ments made by this Act.

17 (b) Not later than one year after the date of the enact-
18 ment of this Act, the Social Security Board, the Comptroller
19 General of the United States, and the Secretary of Health
20 and Human Services shall submit to each House of the Con-
21 gress their recommendations for further technical and con-
22 forming amendments necessary to effectively and efficiently
23 carry out the purposes of this Act.

1 BENEFICIARY BILL OF RIGHTS

2 SEC. 10. Title VII of the Social Security Act is further
3 amended by adding at the end thereof the following new sec-
4 tion:

5 “BENEFICIARY BILL OF RIGHTS

6 “Principles for Implementation of Act

7 “SEC. 713. (a) The provisions of this Act should be im-
8 plemented consistent with the following principles:

9 “(1) All persons should be treated fairly and equi-
10 tably by the Social Security Board, the Commissioner,
11 and the Secretary with proper regard and protection
12 for their rights under this Act, their constitutional
13 rights, and their privacy.

14 “(2) The Social Security Board, the Commission-
15 er, and the Secretary should not discriminate against
16 persons on account of thier age, sex, race, creed, color,
17 handicap, national origin, or economic condition.

18 “(3) The Commissioner and the Secretary should
19 each maintain prompt, professional, and effective serv-
20 ice which is accessible and responsive to the communi-
21 ties and persons which they serve.

22 “(4) Each beneficiary under this Act should re-
23 ceive timely and proper payment of benefits to which
24 he or she is entitled. Benefits under this Act should not
25 be reduced, ceased, or withheld by the Commissioner
26 or the Secretary or assigned to any representative

1 payee by the Commissioner or the Secretary without
2 due process of law or without adequate safeguards to
3 protect those who may be adversely affected by any in-
4 justices or undue hardships which may result from such
5 actions.

6 “(5) Each beneficiary under this Act should be
7 provided a personal conference with a competent offi-
8 cer or employee of the Social Security Agency or the
9 Department of Health and Human Services with re-
10 spect to any determination by the Commissioner or the
11 Secretary (as the case may be) which adversely affects
12 him or her.

13 “(6) In any administrative matter subject to
14 appeal under this Act, each beneficiary should be pro-
15 vided a full, fair, and impartial evidentiary hearing
16 before an administrative law judge who is authorized to
17 render independent judgment of the issue, consistent
18 with applicable laws and regulations, and who is not
19 subject to coercion, discrimination, or interference with
20 in the exercise of his responsible judgment.

21 “Enforcement of Principles

22 “(b) In carrying out their responsibilities under this Act,
23 the Social Security Board and the Secretary, pursuant to au-
24 thority otherwise available, shall take any action, including
25 the issuance of rules, regulations, or directives, which is con-

1 sistent with the provisions of this Act and which the Social
2 Security Board or the Secretary (as the case may be) deter-
3 mines is necessary to ensure that the administration of this
4 Act is based on and embodies the principles set forth in sub-
5 section (a) and that such principles are publicly displayed in
6 each office of the Social Security Agency.”.

7 EFFECTIVE DATE AND INTERIM RULES

8 SEC. 11. (a)(1) Sections 2, 3, 4, 5, 6, and 8 of this Act
9 shall take effect October 1, 1986.

10 (2) Notwithstanding the effective date set forth in para-
11 graph (1), effective on the date of the enactment of this
12 Act—

13 (A) the initial members of the Social Security
14 Board whose terms of office begin before February 1,
15 1989, may be appointed before such effective date,
16 after the date of the enactment of this Act, and the
17 Commissioner of Social Security, the Social Security
18 Ombudsman, the Inspector General, the Chief Actuary,
19 the Director of Policy Analysis and Legislation, and
20 the General Counsel of the Social Security Agency
21 may be appointed by such Board at any time after such
22 initial members of the Social Security Board have been
23 appointed,

24 (B) the persons appointed under subparagraph (A)
25 shall be compensated from the date they first take
26 office, at the rates provided for in the amendments to

1 title 5, United States Code, made by sections 2(b),
2 3(b), and 4(b) of this Act,

3 (C) such compensation and related expenses of
4 such persons shall be paid from funds available in the
5 Department of Health and Human Services for the
6 functions vested in the Social Security Agency by this
7 Act and the amendments made thereby, and

8 (D) the Social Security Board and the Commis-
9 sioner of Social Security may each utilize, as appropri-
10 ate, the services of such officers, employees, and other
11 personnel of the Department of Health and Human
12 Services, and funds appropriated to the functions of
13 such Department to be transferred by this Act and the
14 amendments made thereby, for such period of time as
15 may reasonably be needed to facilitate the orderly im-
16 plementation of this Act.

17 (b) The amendment made by section 7 of this Act shall
18 apply with respect to fiscal years beginning on or after Octo-
19 ber 1, 1986.

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